

M/019/005



Cumberland Surety, Inc.

February 11, 2005

Mr. Daron Haddock
Permit Supervisor
State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

RECEIVED
FEB 14 2005
DIV. OF OIL, GAS & MINING

Re: Bond reduction on Intrepid Oil & Gas, LLC permit M/019/005

Dear Mr. Haddock:

Please accept the attached reduction for Intrepid Oil & Gas LLC bond number L-
_____ in the amount of \$1,762,820.

As per your letter to Mr. York of Intrepid Oil & Gas dated November 3, 2004.
The amount of \$6,266,800 is now required for permit number M/019/005. Please retain
bond numbers _____ in the amount of \$2,384,460 and _____
(_____) in the amount of \$2,119,520. These bonds with the reduced _____
in the amount of \$1,762,820 should total the required amount.

Please return the following Intrepid Oil & Gas, LLC bonds to Cumberland Surety,
Inc. at the address listed above.

_____ 5-4	\$2,384,460.00
_____ 5-5	2,119,520.00
_____ 5-6	2,119,520.00

Should you have any questions please contact me.

Sincerely,

Debbie Murphy
Bond Manager



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

R I D E R

To be attached to and form part of Bond No.:

J5-3

Principal **Intrepid Oil & Gas LLC**

In favor of **State of Utah, Division of Oil, Gas and Mining**

In consideration of the premium charged for the attached bond it is agreed that:

1. the coverage of the above described bond is decreased:

FROM: Two Million One Hundred Nineteen Thousand Five Hundred Twenty Dollars (\$2,119,520.00)

TO: One Million Seven Hundred Sixty-Two Thousand Eight Hundred Twenty Dollars (\$1,762,820.00)

PROVIDED, however, that the attached bond as changed by this rider shall be subject to all its agreement, limitation and conditions, and that the liability of the surety under the attached bond is changed by this rider shall not be cumulative.

2. This Rider shall become effective as of the 11th day of February, 2004.

Signed, sealed and dated
February 11, 2005

LYNDON PROPERTY INSURANCE COMPANY

By:

Deborah A. Murphy
Deborah A. Murphy, Attorney-in-Fact

ACCEPTED:

By: _____

IMPORTANT DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

On November 26, 2002, President Bush signed into law the Terrorism Risk Insurance Act of 2002 (the "Act"). The Act establishes a short-term program under which the Federal Government will share in the payment of covered losses caused by certain acts of international terrorism. We are providing you with this notice to inform you of the key features of the Act, and to let you know what effect, if any, the Act will have on your premium.

Under the Act, insurers are required to provide coverage for certain losses caused by international acts of terrorism as defined in the Act. The Act further provides that the Federal Government will pay a share of such losses. Specifically, the Federal Government will pay 90% of the amount of covered losses caused by certain acts of terrorism which is in excess of Protective's statutorily established deductible for that year. The Act also caps the amount of terrorism-related losses for which the Federal Government or an insurer can be responsible at \$100,000,000,000.00, provided that the insurer has met its deductible.

Please note that passage of the Act does not result in any change in coverage. Please also note that no separate additional premium charge has been made for the terrorism coverage required by the Act. The premium charge that is allocable to such coverage is inseparable from and imbedded in your overall premium, and is no more than one percent of your premium.



LYNDON PROPERTY INSURANCE COMPANY
520 MARYVILLE CENTRE DRIVE, SUITE 500
ST. LOUIS, MISSOURI 63141-5814

POWER OF ATTORNEY

16-004

KNOWN ALL MEN BY THESE PRESENTS, that LYNDON PROPERTY INSURANCE COMPANY, a Missouri Corporation, having its principal office in St. Louis, Missouri pursuant to the following resolution, adopted by the Board of Directors of the Corporation on the 27th day of January, 1983.

RESOLVED, Pursuant to Section 3.1 and 4.12 of the By-laws, the following Rules shall govern the execution of the Corporation of bonds, undertakings, recognizances, contracts and other writings in the nature thereof:

- (1) That the President or any Vice President or Assistant Vice President, the Secretary or Assistant Secretary, the Treasurer or Assistant Treasurer or any Attorney-in-Fact may execute for and in behalf of the Corporation any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof, the same to be attested when necessary by the Secretary or Assistant Secretary, and the seal of the Corporation affixed thereto; and that the President, any Vice President or the Secretary or Assistant Secretary may appoint and authorize Attorneys-in-Fact to execute or to the execution of all such writings on behalf of the Corporation and to affix the seal of the Corporation thereto. The Secretary or Assistant Secretary may not both execute and attest the same bonds, undertakings, recognizances, contracts and other writings of the Corporation.
- (2) Any such writing executed in accordance with these Rules shall be as binding upon the Corporation in any case as though signed by the President and attested by the Secretary.
- (3) The signature of the President, or any Vice President or Assistant Vice President, the Secretary or Assistant Secretary, or the Treasurer or Assistant Treasurer and the seal of the Corporation may be affixed by facsimile on any power of attorney granted pursuant to this Resolution, and the certificate bearing such facsimile signature and seal shall be valid and binding on the Corporation.
- (4) Such Attorneys-in-Fact shall have authority to certify or verify copies of this Resolution, the By-laws of the Corporation, and any affidavit of record of the Corporation necessary to the discharge of their duties.

This Power of Attorney is signed and sealed in facsimile under and by the authority of the above Resolution.

DOES HEREBY MAKE, CONSTITUTE AND APPOINT: Lucy L. Parks, Stephen L. Helmbrecht, William H. M. Patterson, Deborah A. Murphy, Sue H. McMillen, Ernestine Stapleton

its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred in its name, place and stead to sign, execute, acknowledge and deliver in its behalf, and as its act and deed, without power of redelegation as follows:

Bonds guaranteeing the fidelity of persons holding places of public or private trust, guaranteeing the performance of contracts other than insurance policies; and executing or guaranteeing bonds and undertakings required or permitted in all actions or proceedings or by law allowed, provided the amount of no one bond exceeds Two Million Five Hundred Thousand and 00/100 Dollars (\$2,500,000.00); and to bind LYNDON PROPERTY INSURANCE COMPANY thereby as fully and to the same extent as if such bond or undertaking was signed by the duly authorized officers of LYNDON PROPERTY INSURANCE COMPANY, and all the acts of said Attorney(s)-in-Fact pursuant to the authority herein given are hereby ratified and confirmed.

In Witness Whereof, LYNDON PROPERTY INSURANCE COMPANY of St. Louis, Missouri, has caused this Power of Attorney to be signed by its President and its Corporate seal to be affixed this 12th day of March, 1999.

State of Missouri
County of St. Louis ss:



LYNDON PROPERTY INSURANCE COMPANY

BY: Roland G. Anderson
ROLAND G. ANDERSON, President

On this the 12th day of March, 1999, before the subscriber, a Notary Public of the State of Missouri in and for the County of St. Louis, duly commissioned and qualified, came ROLAND G. ANDERSON of Lyndon Property Insurance Company to me personally known to be the individual and officer described herein, and who executed the preceding instrument, and acknowledged the execution of the same, and being by me duly sworn, deposed and said, that he is the officer of the Company aforesaid, and that the seal fixed to the preceding instrument is the Corporate Seal of the Company, and the Corporate Seal and signature as an officer were duly affixed and subscribed to the said instrument by the authority and direction of the Corporation, and that the resolution of the Company, referred to in the preceding instrument.

In Testimony Whereof, I have hereunto set my hand, and fixed my official seal at St. Louis, Missouri, the day and year above written.

MARIE E. DUFF
Notary Public - State of Missouri
County of Jefferson
My Commission Expires January 6, 2006

Marie E. Duff

I, Richard C. Hackett, Assistant Secretary of the Lyndon Property Insurance Company, do hereby certify that the foregoing is a true and accurate copy of a Power of Attorney, executed by said Lyndon Property Insurance Company which is still in full force and effect.

In Witness Whereof, I have hereunder set my hand and affixed the seal of said Corporation at St. Louis, Missouri, this 11th day of February, 2005.

State of Missouri
County of St. Louis ss:



LYNDON PROPERTY INSURANCE COMPANY

Richard C. Hackett
ASSISTANT SECRETARY